

## DRAFT AGENDA

MAY 28, 2014 TELECONFERENCE

EPA, BDH OIL

### I) Background

- A) BDH operated the injection wells at the facility until 2002-2003 when all wells were temporarily abandoned.
- B) Since that time, approximately 40 injection wells have been plugged and abandoned on the lease according to state records, the latest in early 2011. Approximately 115 remain temporarily abandoned.

### II) **Prior Enforcement:** BDH and EPA entered into an administrative order on consent in January 1994 whereby BDH committed to:

- A) Plug wells AW-1, AW-2, AW-3, AW-4, AW-5, AW-6, AW-7, AW-8, AW-9, CW-2, CW-3, CW-6, CW-8, CW-9 and EW-17 within 2 years after the effective date of the Order.
- B) Submit a list of 10 additional wells that BDH would plug within 2 years after the effective date of the Order.
- C) Make periodic payments into a trust fund until there is sufficient funding to cover the cost of plugging all injection wells.
- D) BDH failed to fully comply with any of these provisions.
- E) **Note that, at the time this consent order was issued, most of the injection wells were still in use so the well plugging priorities did not consider the then active wells.**

### III) Pursuant to Federal regulations, any injection well that is temporarily abandoned for 2 years must be plugged and abandoned unless the Owner/Operator submits a plan

### IV) Discussion Topics For Today's Call:

#### A) Lease status:

- 1) Per EPA records, BDH ceased injection on the lease in 2003 and has not injected into any wells since that time. Is that correct?
- 2) Is BDH Oil still a lessee of the Nichols Road Lease?
- 3) If not, does BDH Oil have access to the Lease for the purposes of well plugging?
- 4) EPA aware that BDH signed agreement with Snyder Brothers, Inc. in 2004 whereby Snyder could drill new wells on the lease and plug old wells as necessary. EPA also aware that in 2011 Snyder signed a similar agreement with Nichols Run Minerals, LLC for what appears to be the same acreage. It appears Snyder plugged a number of wells pursuant to these agreements.

5) [REDACTED] **Exemption 5**

#### B) Well Status:

- 1) What is the status of each of the injection wells on the Lease?
- 2) What plan does BDH have for plugging the remaining injection wells.

- 3) Snyder appears to continue to drill new wells on the lease-will they be plugging additional injection wells? [REDACTED]

Exemption 5

C) **Financial Responsibility Status**

- 1) Current value of the funds established to provide financial responsibility.

2) [REDACTED]

Exemption 7A

D) **Plan of Action(?)**

- 1) Obtain updated list of injection wells that have not been plugged. Also a map.
- 2) Prioritize list based upon environmental/human health risk.
  - (i) Recent inspections
    - (a) Well leaking at surface?
    - (b) Fluid level measurements.
  - (ii) Proximity to residences
  - (iii) Inspect all unplugged wells for fluid level and surface leaks?? **EPA involved? I think we should inspect wells that are near enough to residences to pose potential problem if not recently inspected(?)**
  - (iv) Mechanical integrity test wells? **Note that this would be a difficult task for the more remote wells (roads deteriorated-cannot truck water to wells to test). Could MIT wells that are found to be of higher risk if too many wells to plug with available \$\$\$**
- 3) Plug wells with available funds.